

VZCZCXRO9607  
RR RUEHDE RUEHDIR  
DE RUEHMS #0575/01 2261410  
ZNR UUUUU ZZH  
R 131410Z AUG 08  
FM AMEMBASSY MUSCAT  
TO RUEHC/SECSTATE WASHDC 9848  
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE  
RUEATRS/DEPT OF TREASURY WASHDC  
RUCPDOG/DEPT OF COMMERCE WASHDC

UNCLAS SECTION 01 OF 02 MUSCAT 000575

SENSITIVE  
SIPDIS

COMMERCE ITA THOFFMAN

E.O. 12958: N/A  
TAGS: [ECON](#) [EFIN](#) [ELAB](#) [ETRD](#) [MU](#)  
SUBJECT: OMAN'S CHANGING WORKWEEK

REF: 05 MUSCAT 541

¶1. (SBU) Summary: Government officials encouraged the private sector to adopt a five-day workweek in lieu of the current six days to help prompt more Omanis to seek jobs outside the public sector. In addition, financial institutions and a growing number of private businesses have taken steps to switch from a Saturday through Wednesday workweek to a Sunday through Thursday workweek. The Central Bank of Oman and various financial institutions initiated the move to a Friday/Saturday weekend this summer in order to align Oman's finance sector with the working days of global financial operations. Government business hours have not yet been changed, but rumors abound that it is inevitable. End Summary.

¶2. (U) In May 2008, the Oman International Development and Investment Company (OMINVEST), a large public joint stock and financial services firm, changed its weekend from Thursday/Friday to Friday/Saturday. Following not far behind, the Central Bank of Oman issued a circular in June instructing licensed banks to remain open from Sunday to Thursday commencing on July 1, 2008 in order to be more aligned with global financial operations and systems. Other Muscat-based finance institutions, including consumer lending firms, chose to follow the directive as well. On July 6, the Capital Market Authority announced a change to its workweek to foster greater synergy between the local and global markets. The move also helped bring these financial entities into line with the Muscat Securities Market and the Muscat Depository and Securities Registration Company, which have been on a Sunday to Thursday work schedule since 1998.

¶3. (SBU) Possibly feeling some pressure from private sector employees and managers, the Board of Directors of the Oman Chamber of Commerce and Industry (OCCI) voted in late July to change its workweek to Sunday through Thursday. Backing the move was the Director General of Employment at the Ministry of Manpower, Salim bin Nusair al-Hadhrani, who stated publicly that many oil companies and large Omani corporations supported changing the local weekend. In early August, the Chairman of OCCI, Khalil bin Abdullah al Khonji, issued a statement to the press calling for all private sector establishments to adopt a five-day workweek in lieu of the traditional six days in order to encourage more Omanis to take jobs with private firms and further integrate the Sultanate into the global economy. (Note: The government has followed a five day workweek since the early 1990s. End Note.) Al-Khonji did not specify which two days of the week companies should recognize as the weekend.

¶4. (SBU) Despite statements by public officials and influential private Omanis in favor of shifting the local weekend, the government of Oman has yet to announce a change in its working schedule. On August 10, however, local Arabic-language daily "Al Watan" cited an unnamed "official

source" in reporting that a government study is underway to determine the impact of adopting a Friday-Saturday weekend in the public sector, which would bring Oman into line with other GCC states, with the exception of Saudi Arabia. The source did not provide any hint on when the government might institute a weekend change. One official from the Ministry of Commerce and Industry told econoff August 13 that he heard a rumor that the government would switch to a Friday/Saturday weekend by September 1, while another official believed the move would occur on January 1, 2009. There is speculation that a change could coincide with the start of the Omani public school year. Classes are tentatively set to begin September 1, although the beginning of Ramadan could delay this.

15. (SBU) Comment: Although changes to the local workweek were initiated by the financial sector for commercial reasons, the Government of Oman likely sees the move to a five-day workweek as a way to further its Omanization program (i.e., increasing employment of Omanis and depending less on expatriate labor) by giving Omanis more incentive to join the private sector. While highly-skilled Omanis can earn large salaries in private firms, many private sector jobs have lower pay, longer working hours, and less perks than government employment. But as increased investment and high oil prices fuel a local economic boom (septel), wages and benefits offered by private companies are likely to continue to improve and thus draw more Omanis away from the public sector. While some may question the hesitancy of the government to come to a decision on adopting a Friday-Saturday weekend, the tentative steps in this direction reflect the Sultanate's long-standing tradition of

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gradually laying the groundwork for any significant change.  
End Comment.  
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